

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

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In re:

COMPUTE NORTH HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
)  
) Case No. 22-90273 (MI)  
)  
) (Jointly Administered)  
)  
) **Objection Deadline for Amended Cure  
Notice:**  
) **November 7, 2022 at 7:00 a.m.**  
) **(prevailing Central Time)**  
)  
) **Re: Docket Nos. 91, 191, 209 & 256**

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**NOTICE OF FILING OF AMENDED CURE  
SCHEDULE IN CONNECTION WITH PROPOSED SALE**

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**PLEASE TAKE NOTICE** that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), on September 22, 2022 (the “Petition Date”), in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). The Debtors are seeking to assume and assign certain of their executory contracts and unexpired leases in connection with one or more sales of assets (collectively, the “Assets”). The Debtors are seeking Court approval of such sales and assumptions and assignments pursuant to a motion, dated September 26, 2022 [Docket No. 91] (the “Motion”).<sup>2</sup>

The Court has entered an order [Docket No. 256] (the “Final Sale Procedures Order”) approving, among other things, (i) certain procedures for the sale of Assets with an aggregated selling price equal to or less than \$1,000,000 (the “De Minimis Asset Sale Procedures”), (ii) certain procedures for the sale of Assets with an individual or collective value over \$1,000,000 (the “Bidding Procedures”), and (iii) certain procedures that govern the assumption and assignment of certain executory contracts and unexpired leases transferred pursuant to either the De Minimis Asset Sale Procedures or the Bidding Procedures. Copies of the Motion and the Final

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Compute North Holdings, Inc. (4534); Compute North LLC (7185); CN Corpus Christi LLC (5551); CN Atoka LLC (4384); CN Big Spring LLC (4397); CN Colorado Bend LLC (4610); CN Developments LLC (2570); CN Equipment LLC (6885); CN King Mountain LLC (7190); CN Minden LLC (3722); CN Mining LLC (5223); CN Pledgor LLC (9871); Compute North Member LLC (8639); Compute North NC08 LLC (8069); Compute North NY09 LLC (5453); Compute North SD, LLC (1501); Compute North Texas LLC (1883); Compute North TX06 LLC (5921); and Compute North TX10 LLC (4238). The Debtors’ service address for the purposes of these chapter 11 cases is 7575 Corporate Way, Eden Prairie, Minnesota 55344.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Sale Procedures Order are available for download at <https://dm.epiq11.com/case/ComputeNorthHoldings/info> (the “Case Website”).

The Debtors have reserved the right to designate one or more parties to serve as stalking horse purchasers for the Assets (each a “Stalking Horse Purchaser”). For each Stalking Horse Purchaser, a notice will be filed on the Bankruptcy Court’s docket and posted on the Case Website identifying each Stalking Horse Purchaser, the terms of each Stalking Horse Agreement, and other information regarding each Stalking Horse Purchaser, as described in the Motion and the Final Sale Procedures Order.

On October 18, 2022, the Debtors filed a schedule of executory contracts and unexpired leases that may be potentially assumed and assigned in connection with a sale under either the De Minimis Asset Sale Procedures or the Bidding Procedures [Docket No. 209] (the “Initial Cure Schedule”) and served customized notices of the same on each of the non-Debtor counterparties identified on the Initial Cure Schedule.

The Debtors hereby amend the Initial Cure Schedule, solely with respect to the executory contracts or unexpired leases (the “Contracts”) identified on **Exhibit A** attached hereto (the “Amended Cure Schedule”), to accurately reflect the current amounts owing (the “Cure Amounts”) with respect to such Contracts. A redline showing changes against the Initial Cure Schedule with respect to such Contracts is attached hereto as **Exhibit B**.

The Debtor are also serving a customized notice on each non-Debtor counterparty listed on the Amended Cure Schedule identifying the amendments to such counterparty’s proposed Cure Amount. The Cure Amounts set forth on **Exhibit A** are the only amounts proposed to be paid upon any assumption and assignment of the Contracts, in full satisfaction of all amounts outstanding under the Contracts.

Any Counterparty that objects to (i) the applicable Cure Amount or (ii) the Debtors’ ability to assume and assign the applicable Contract, must file and serve an objection (a “Contract Objection”). Any Contract Objection shall: (i) be in writing; (ii) comply with the Bankruptcy Rules and the Local Rules; (iii) be filed with the Clerk of the Court, 515 Rusk Street, Houston, Texas 77002, together with proof of service, **on or before 7:00 a.m. (prevailing Central Time) on November 7, 2022** (the “Supplemental Contract Objection Deadline”); (iv) be served, so as to be actually received on or before the Supplemental Contract Objection Deadline, upon the Objection Notice Parties (set forth below); and (v) state with specificity the grounds for such objection, including, without limitation, the fully liquidated cure amount and the legal and factual bases for any unliquidated cure amount that such Counterparty believes is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code for the Contract in question, along with the specific nature and dates of any alleged defaults, any pecuniary losses resulting therefrom, and the conditions giving rise thereto.

Any objections to adequate assurance of future performance by a Successful Bidder other than a De Minimis Asset Purchaser shall be filed not later than the later of (i) **November 7, 2022, at 8:00 a.m. (prevailing Central Time)** and (ii) 4:00 p.m. (prevailing Central Time) on the date that is two (2) days after service of the Notice of Successful Bidder for such assets (the “Adequate Assurance Objection Deadline”). Objections to adequate assurance of future performance by a De

Minimis Asset Purchaser shall be governed by the De Minimis Asset Sale Procedures and addressed via separate notice.

The “Objection Notice Parties” are as follows: (i) counsel to the Debtors, Paul Hastings LLP, 600 Travis Street, 58th Floor, Houston, Texas 77002, Attn: James T. Grogan III (jamesgrogan@paulhastings.com); 200 Park Avenue, New York, New York 10166, Attn: Luc Despins, Sayan Bhattacharyya, and Daniel Ginsberg (lucdespins@paulhastings.com, sayanbhattacharyya@paulhastings.com, and danielginsberg@paulhastings.com); and 71 South Wacker Drive, Suite 4500, Chicago, Illinois 60606, Attn: Matthew Micheli and Michael Jones (mattmicheli@paulhastings.com and michaeljones@paulhastings.com); (ii) proposed counsel to the official committee of unsecured creditors appointed in these Chapter 11 Cases, McDermott Will & Emery LLP, 2501 North Harwood Street, Suite 1900, Dallas, Texas 75201, Attn: Charles R. Gibbs (crgibbs@mwe.com); One Vanderbilt Avenue, New York, New York 10017, Attn: Kristin K Going, Darren Azman, Stacy A. Lutkus, and Natalie Rowles (kgoing@mwe.com, dazman@mwe.com, salutkus@mwe.com, and nrowles@mwe.com); (iii) the Office of the United States Trustee for the Southern District of Texas, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attn: Jayson B. Ruff and Jana Whitworth (Jayson.B.Ruff@usdoj.gov and Jana.Whitworth@usdoj.gov); and (iv) counsel to each Stalking Horse Purchaser, if any.

If no objection is timely received with respect to a Cure Amount, then upon the closing of the applicable sale and payment of any Cure Amounts set forth in this notice: (i) such Counterparty shall be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts with respect to such Contract, (ii) the Cure Amount set forth on **Exhibit A** attached hereto shall be controlling, notwithstanding anything to the contrary in any Contract, or any other document, and such Counterparty shall be deemed to have consented to the Cure Amount, and (iii) such Counterparty shall be forever barred and estopped from asserting any other claims related to such Contract against the Debtors or the applicable transferee, or the property of any of them.

Copies of the Final Sale Procedures Order, the Bidding Procedures, and all other documents filed in these Chapter 11 Cases are available (a) free of charge by accessing the website maintained by the Debtors’ claims and noticing agent, Epiq Corporate Restructuring, LLC, at <https://dm.epiq11.com/case/computenorthholdings/info> or (b) for a fee by accessing the PACER system on the Court’s website at <https://ecf.txs.uscourts.gov>.

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Dated: October 31, 2022  
Houston, Texas

*/s/ James T. Grogan III*

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*Counsel to the Debtors and Debtors in Possession*

**Exhibit A**

**Amended Cure Schedule**

**Compute North Holdings, Inc. - Assumption Notices<sup>1</sup>***Contract Cure Summary*

Counterparty	Contract Name / Identification	Debtor Entity	Cure Amount <sup>2/3</sup>
7575 MANAGEMENT LLC ATTN LEGAL 7575 CORPORATE WAY EDEN PRAIRIE, MN 55344	POST ROAD TERM OF LANDLORD'S AGREEMENT 02 04 22	COMPUTE NORTH LLC	Aggregate Cure Amount - \$87,051.77
CUSTOMER NO. 20 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 20	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 259 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 259	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 426 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 426	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 426 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 426	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 470 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 470	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 470 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 470	COMPUTE NORTH LLC	\$0.00
LAWRENCE PATTERSON 1101 LA SALLE ST WAYZATA, MN 55391	LAWRENCE PATTERSON INDEPENDENT CONTRACTOR 11 29 21	COMPUTE NORTH LLC	\$0.00
PATTERSON & DEWAR ENGINEERS INC 850 CENTER WAY NORCROSS, GA 30071	PATTERSON DEWAR MNDA 04 29 22	COMPUTE NORTH LLC	\$0.00
HOOD-PATTERSON & DEWAR INC ATTN CHIEF EXEC OFFICER 850 CENTER WAY NORCROSS, GA 30071	HOOD PATTERSON CONSULTING AGMT 06 08 22	CN DEVELOPMENTS LLC	\$7,770.00
HOOD-PATTERSON & DEWAR INC ATTN CHIEF EXEC OFFICER 850 CENTER WAY NORCROSS, GA 30071	HOOD-PATTERSON CONSULTING AGMT 08 22 22	CN DEVELOPMENTS LLC	\$0.00

<sup>1</sup> The inclusion of a contract or lease on this Assumption Notice does not constitute an admission that the contract or lease does or does not constitute an executory contract or unexpired nonresidential real property lease under applicable law, or as to the existence or validity of any claims held by the counterparty or counterparties to such contract or lease

<sup>2</sup> Where indicated, cure amounts listed as "Aggregate Cure Amount" provide the total cure amount for all existing contracts or leases with the specified contract counterparty

<sup>3</sup> Cure Amount excludes financing agreements

**Exhibit B**

**Redline**

Compute North Holdings, Inc. - Assumption Notices<sup>1</sup>

## Contract Cure Summary

Counterparty	Contract Name / Identification	Debtor Entity	Cure Amount <sup>2,3</sup>
7575 MANAGEMENT LLC ATTN LEGAL 7575 CORPORATE WAY EDEN PRAIRIE, MN 55344	POST ROAD TERM OF LANDLORD'S AGREEMENT 02 04 22	COMPUTE NORTH LLC	Aggregate Cure Amount <del>-\$88,781.00</del> <u>\$87,051.77</u>
CUSTOMER NO. 20 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 20	COMPUTE NORTH LLC	<del>\$3,110,700.00</del> <u>0.00</u>
CUSTOMER NO. 259 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 259	COMPUTE NORTH LLC	<del>\$1,383,024.00</del> <u>0.00</u>
CUSTOMER NO. 426 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 426	COMPUTE NORTH LLC	<del>\$958,847.63</del> <u>0.00</u>
CUSTOMER NO. 426 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 426	COMPUTE NORTH LLC	\$0.00
CUSTOMER NO. 470 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 470	COMPUTE NORTH LLC	Aggregate Cure Amount <del>-\$6,719.00</del> <u>\$0.00</u>
CUSTOMER NO. 470 – NAME REDACTED	CONTRACT REDACTED – CUSTOMER NO. 470	COMPUTE NORTH LLC	Aggregate Cure Amount <del>-\$6,719.00</del> <u>\$0.00</u>
<del>CUSTOMER NO. 526 –</del> <del>NAME REDACTED</del> LAWRENCE PATTERSON <u>1101 LA SALLE ST</u> <u>WAYZATA, MN 55391</u>	<del>CONTRACT REDACTED – CUSTOMER NO. 526</del> <u>LAWRENCE PATTERSON INDEPENDENT CONTRACTOR</u> <u>11 29 21</u>	COMPUTE NORTH LLC	\$0.00
<del>CUSTOMER NO. 526 –</del> <del>NAME REDACTED</del> PATTERSON & DEWAR ENGINEERS INC <u>850 CENTER WAY</u> <u>NORCROSS, GA 30071</u>	<del>CONTRACT REDACTED – CUSTOMER NO. 526</del> PATTERSON DEWAR MND 04 29 22	COMPUTE NORTH LLC	<del>\$7,770.00</del> <u>\$0.00</u>
<del>CUSTOMER NO. 526 –</del> <del>NAME REDACTED</del> HOOD-PATTERSON & DEWAR INC <u>ATTN CHIEF EXEC OFFICER</u> <u>850 CENTER WAY</u> <u>NORCROSS, GA 30071</u>	<del>CONTRACT REDACTED – CUSTOMER NO. 526</del> HOOD PATTERSON CONSULTING AGMT 06 08 22	<del>COMPUTE NORTH LLC</del> CN DEVELOPMENTS LLC	<del>\$0.00</del> <u>\$7,770.00</u>
<del>CUSTOMER NO. 526 –</del> <del>NAME REDACTED</del> HOOD-PATTERSON & DEWAR INC <u>ATTN CHIEF EXEC OFFICER</u> <u>850 CENTER WAY</u> <u>NORCROSS, GA 30071</u>	<del>CONTRACT REDACTED – CUSTOMER NO. 526</del> HOOD-PATTERSON CONSULTING AGMT 08 22 22	<del>COMPUTE NORTH LLC</del> CN DEVELOPMENTS LLC	\$0.00

<sup>1</sup> The inclusion of a contract or lease on this Assumption Notice does not constitute an admission that the contract or lease does or does not constitute an executory contract or unexpired nonresidential real property lease under applicable law, or as to the existence or validity of any claims held by the counterparty or counterparties to such contract or lease

<sup>2</sup> Where indicated, cure amounts listed as "Aggregate Cure Amount" provide the total cure amount for all existing contracts or leases with the specified contract counterparty

<sup>3</sup> Cure Amount excludes financing agreements